

# **DC Ranch Fifth Amendment to Development Agreement Project Narrative**

## **INTRODUCTION**

In 1998 the City of Scottsdale (the "City") approved an extensive rezoning of DC Ranch resulting in the Second Amendment to Development Agreement (the "Development Agreement"), which is the governing document for development of DC Ranch. The Development Agreement, as amended, includes conceptual zoning for DC Ranch and establishes a comprehensive set of guidelines and conditions for the development of DC Ranch. Specifically, and as set forth in Stipulation 1.01, the zoning districts depicted on the graphics accompanying the Development Agreement are conceptual and are subject to amendment and boundary adjustments until an ordinance is adopted by the City Council to establish the zoning district. This has occurred throughout the development of DC Ranch as plans have been finalized and development has occurred. Specifically, once a development plan is finalized and site plans are submitted to the City, a request is made to adopt the final zoning district for such area of DC Ranch, as required in Stipulation 1.04. The original zoning graphic is attached at *Tab 1*. Copies of the relevant portions of the Stipulations are attached at *Tab 2*.

## **REQUEST**

The request is to amend Schedule B of Exhibit D (Zoning Map) of the Development Agreement to place approximately two (2) acres of R4-R zoning within Planning Unit I. The placement of R4-R zoning within Planning Unit I will allow the development of this area of DC Ranch with an integrated mixed use center with services, retail and residential uses, including a specialty hotel.

## **PLANNING UNIT I**

Planning Unit I at DC Ranch is located at the southeast corner of Union Hills Drive and Pima Road, extending east to the Reata Pass Wash and south of Palo Brea Road. There are various zoning categories and land uses proposed and developed within Planning Unit I, including an approximately thirty one (31) acre conceptually commercial zoned area. The commercial area is located within the northwestern portion of Planning Unit I along the newly aligned Pima Road. This will be the first commercial development north of Loop 101 as you proceed north on Pima Road.

The conceptual zoning for the commercial area of Planning Unit I consists of Planned Neighborhood Center ("PNC") and Commercial Office. In order to fully integrate commercial and residential uses within the commercial center and to develop a portion of the area with a specialty hotel, some of the R4-R zoning contemplated within DC Ranch needs to be located within Planning Unit I. The R4-R conceptual zoning district, which is the zoning district permitting hotel rooms within DC Ranch, was originally located within Planning Units III and IV of DC Ranch. A portion of the R4-R zoning has been relocated to Planning Unit V. Additionally, the Land Use Budget set forth in the Development Agreement, provided for a maximum of 800 rooms to be located within Planning Units IV, V and VI. A subsequent

amendment to the Development Agreement and Land Use Budget reduced the number of resort rooms to a maximum of 200 and allowed the rooms to be located within any planning unit of DC Ranch.

Stipulation 3.03B of the Development Agreement states that specific locations for development sites within DC Ranch are to be determined at the time of site plan approval. Accordingly, the request is to amend the zoning map to place approximately two (2) acres of the conceptual R4-R zoning within Planning Unit I as depicted on the graphic attached at **Tab 3**. The number of hotel rooms is limited to 200 as set forth in the Land Use Budget. A copy of the existing Land Use Budget is attached at **Tab 4**. To date, despite the existence of the R4-R zoning, there are no hotel rooms developed at DC Ranch leaving an entitlement of 200 rooms. A decision has been made to locate the 200 resort rooms within Planning Unit I as allowed in Stipulation 3.04. Based on the fact that resort rooms can be located anywhere within DC Ranch, an amendment to the Land Use Budget is not required; however, the Land Use Budget is being updated to show the placement of the hotel rooms within Planning Unit I. A copy of the proposed revised Land Use Budget is attached at **Tab 5**.

As an aside, the specialty hotel within Planning Unit I will provide for a truly mixed-use environment as contemplated in the PNC zoning District. Specifically, the purpose of the PNC zoning district is:

...to provide a hub of activity and a focal point for a given neighborhood. The center shall reflect the identity of the neighborhood by providing a group of professional offices, service and retail sales to meet the daily needs of the neighborhood. Residential uses shall also be encouraged to provide a mixed-use atmosphere of day and nighttime activities.

The specialty hotel is expected to enhance and compliment the mixed-use environment contemplated in the PNC zoning district. Specifically, this will be the only hotel which is north of Bell Road and east of the Loop 101 and not part of a resort, thus providing convenience to visitors of the area and guests of the surrounding residents. Although up to 200 rooms are allowed, it is anticipated there will be approximately 160 rooms in the hotel which will take advantage of the views of the McDowell Mountains as well as City views. It is anticipated that a single story bank building will be located to the west of the hotel, single- and possibly two-story commercial and retail buildings to the north, and multi-story residential buildings to the east. South of the hotel site, across Trails Side View, a public park is proposed. The location of the hotel in the southern portion of the center is appropriate for ease of access as well as massing and is located further from the existing single-family residences in the area and at the lowest elevation of the overall commercial site. A copy of the conceptual site plan for the commercial portion of Planning Unit I is attached at **Tab 6**.

## MASTER PLANS

All of the master plans have been completed for Planning Unit I at DC Ranch. The master plans, including the Planning Unit I Master Transportation Plan, was based on development of full entitlement allowances; therefore, even though a hotel was not contemplated during the master plan phase, an office building or similar type use was incorporated into the master plans. Office uses generate more traffic than hotel uses and therefore, the Master Transportation Plan does not need to be amended. Additionally, wastewater and water master plans have been approved for Planning Unit I. Anticipating that a hotel use was contemplated within Planning Unit I, the civil engineering plans for the commercial area of Planning Unit I were designed to handle the capacity of a hotel use; therefore, revisions to the civil engineering plans are not required.

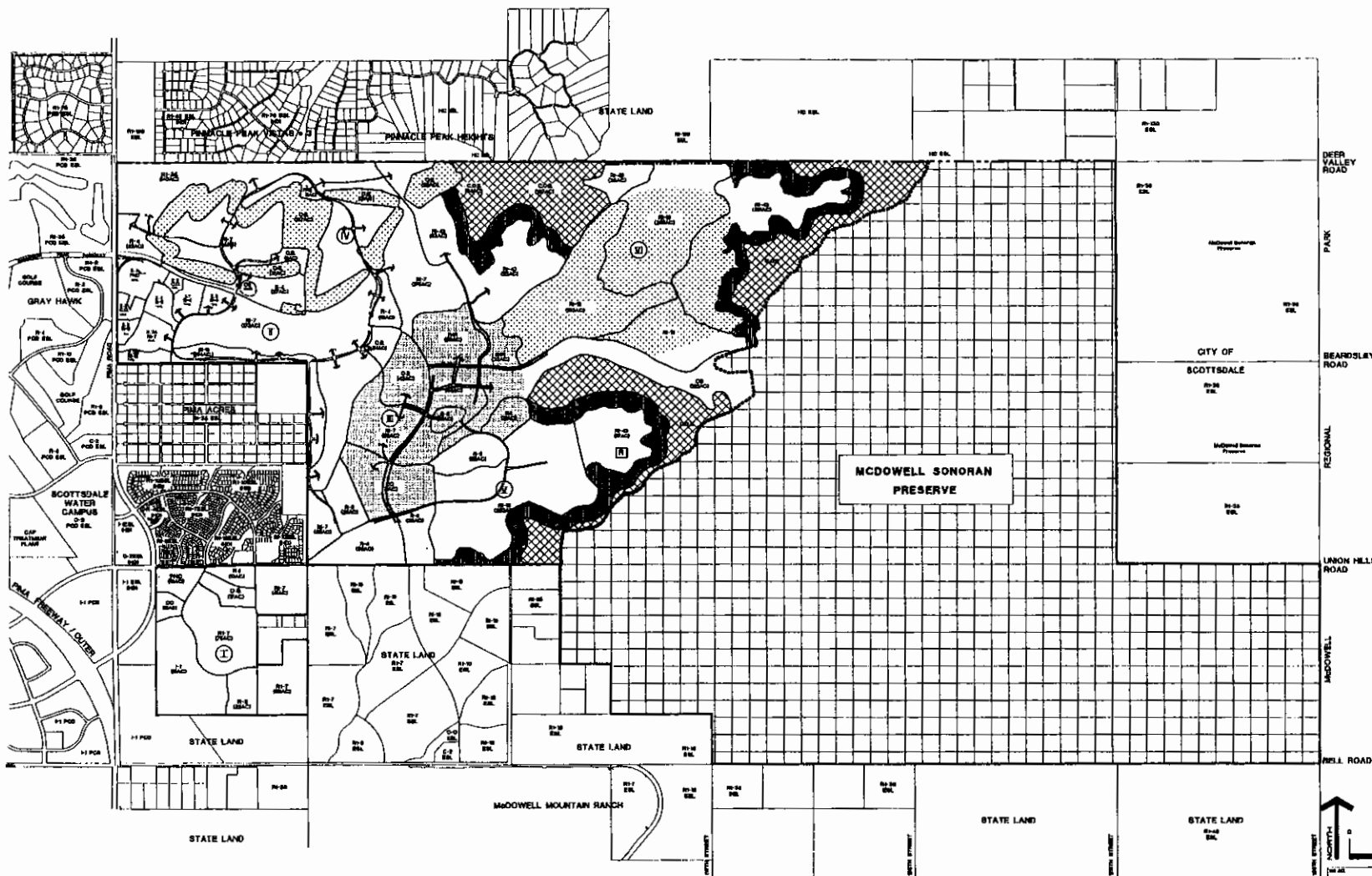
## SUMMARY

This modification of zoning boundaries is specifically allowed within the Development Agreement per Stipulation 3.04, and has occurred in other areas of DC Ranch. The zoning boundary adjustment for Town Center allowed the placement of R4-R zoning in Planning Unit V, even though the conceptual R4-R zoning was not shown on the original zoning graphic.

In summary, the zoning boundary adjustment results in approximately twenty-nine (29) acres of PNC zoning and approximately two (2) acres of R4-R zoning. The amendment to the zoning map does not change the intensity or density of uses within DC Ranch, generally, and Planning Unit I, specifically, and is in conformance with the Development Agreement. The development of the commercial center, including a specialty hotel, is appropriate in size and scale with the existing and proposed development in Planning Unit I. The existing entitlements allow for the development of a 200 room hotel within DC Ranch and the Development Agreement provides a mechanism to adjust zoning boundaries and to designate the location of uses within the various planning units of DC Ranch.

REPRODUCED OR USED FOR ANY PURPOSES WITHOUT THE WRITTEN PERMISSION OF VSA.

CHANGES AND SPECIFICATIONS AS INSTRUMENTS OF SERVICE ARE THE PROPERTY OF THE ARCHITECT AND MAY NOT BE REPRODUCED OR USED FOR ANY PURPOSES WITHOUT THE WRITTEN PERMISSION OF VSA.



# SCHEDULE - "B" ZONING MAP

- CONSERVATION OPEN SPACE
- APPROX. COMPREHENSIVE AREA
- POTENTIAL DEVELOPMENT AREA
- SELF COURSE STUDY AREA
- WATER USE TOWN CENTER STUDY AREA
- APPROX. NOTIFICATION AREA
- POTENTIAL RESORT SITE
- TRANSITION ZONE NOT SUPPLY
- TRANSITION ZONE LOW SUPPLY
- TYPICAL PLANNING UNIT LAND
- PLANNED UNIT BOUNDARY
- PROPERTY BOUNDARY
- THE PRESERVE

- NOTES (GENERAL):
- \* TOWN CENTER SITE TO INCLUDE FUTURE OVERLAY DISTRICT WHICH WILL BE LATER POL. 7-1 AND CO. 1000 IN A LATER DATE.
  - \* THE ADDRESS OF ALL ACREAGE DEPICTED ARE PROVIDED BY LANDLORDS. SUGGEST THE LOCATION OF ALL ACREAGE IS APPROXIMATE AND SUBJECT TO CHANGE.
  - \* ALL INFORMATION DEPICTED ON THIS MAP WAS OBTAINED FROM THE RECORDS OF THE DEVELOPER AND IS SUBJECT TO THE RECORDS OF THE DEVELOPER. ALL ACREAGE DEPICTED ARE APPROXIMATE.



**DMB**  
400 N. 24th St.  
Suite 100  
Phoenix, Arizona 85008  
(602) 944-7677  
FAX (602) 944-7678  
GARY J. DMB  
64 - ZN - 88 - 2  
August 07, 1988



VEITH SAWBACK ASSOCIATES, P.C.  
ARCHITECTS AND PLANNERS

## DC RANCH

54-ZN-1989#10  
9-14-06

## 3.0 ZONING

- 3.01 Consistency with the Development Land Use Plan and the Zoning Map. Development of the Property shall be in substantial conformance with the Development Land Use Plan (Schedule A) and the Zoning Map (Schedule B), as supplemented by these Stipulations.
- 3.02 Amendments. Any change in the Development Land Use Plan, Zoning Map, Land Use Budget or these Stipulations which the Project Coordination Manager determines to be substantial may only be approved pursuant to the procedures established by the Zoning Ordinance, ~~Section 2-100~~ for zoning amendments. The Project Coordination Manager's determination that a proposed change is substantial may be appealed to the Planning and Development General Manager.
- 3.03 Land Use Intensity Budget.
- A. Maximum intensities for land uses shown on the Development Land Use Plan are provided in the Land Use Budget (Schedule D). A maximum of 8,388 6,718 residential units plus 600 resort rooms shall be permitted on the Property. Additional resort rooms shall be permitted in the R-4R area identified on the zoning map in Planning Unit XX and within the potential resort site labeled on the zoning map in Planning Unit V, subject to a reduction of residential units from the Property at a ratio of seven residential units for 10 resort rooms, not to exceed 400 200 additional resort rooms.
  - B. A total of 900,000 square feet of gross floor area shall be permitted for retail commercial development on Development Sites identified as PCC or PNC on the zoning map. Development Sites identified as CO on the zoning map shall be permitted a maximum of .3 FAR for each site. Development Sites identified as PNC shall be permitted a maximum of .2 FAR for each site. Development sites identified as PCC on the zoning map shall be permitted a maximum of .5 FAR for each site and Development Sites identified as I-1 on the zoning map shall be permitted a maximum of .3 FAR for each site. The foregoing FAR limitations shall not apply within the Town Center Study area. Site plans for individual development projects shall be subject to City Council approval pursuant to Stipulation No. 3.10.
  - C. The specific location of each Development Site within a Planning Unit shall be determined at the time of preliminary plat or site plan approval.
- 3.04 Intensity Transfers. The Owner of any portion of the Property may transfer intensity and amend the preliminary allocation of density within Residential Development Sites, from one Development Site to another within a Planning Unit, and from one Planning Unit to another subject to approved documentation as required in Stipulation 3.05 and that the maximum total yield and overall density of units within the applicable zoning classification for the property in accordance with the Land Use Budget (Schedule D) is not exceeded ~~and that the maximum density cap established for Planning Units 7-13 as defined by the Land Use Budget (Schedule D) is not exceeded.~~ The allocated intensity for each Development Site is subject to drainage, topography, and other site planning concerns which must be resolved at the time of preliminary plat or site plan approval. Reallocation of units in accordance with this Section 3.04, shall not be considered substantial amendment to the Land Use Budget under Section 3.02.
- 3.05 Documentation of Intensity Transfers. Any submittal to Project Coordination Manager which contemplates an intensity transfer shall include the written consent of the Master Owner, and documentation stating the reallocation of units within the Land Use Budget indicating the Development Site(s) or Planning Unit(s) that have a reduction or increase in number of units. At the time of construction completion or final plat approval

of any Development Site, the Owner shall submit to the Planning Coordination Manager documentation for inclusion in the Land Use Budget indicating the final status of intensity on the Development Sites.

- 3.06 Zoning Ordinance Adoption. The ordinance amending the applicable City zoning map for each Development Site pursuant to the rezoning approval in this case shall be adopted in accordance with Stipulation 1.04.

- 3.07 Modified Development Standards.

A. The development standards of the zoning districts shown on the zoning map, for all Planning Units are modified as provided in Schedule G. Where there is conflict between the development standards of the applicable zoning district and the modified development standards contained in Schedule G, said modified development standards, to the extent applicable, shall control. In the event of ambiguity as to whether a particular development standard(s) is applicable, the Project Coordination Manager shall determine such applicability. Such determination by the Project Coordination manager may be appealed to the Planning and Development General Manager.

B. The development standards of the R1-7, R1-10, R1-35, R1-43, ~~R1-70, R1-130~~, R-4R, R-5, O-S, R1-18, C-O and PNC zoning districts shown on the zoning map, Schedule B, are modified as provided in Schedule H. Where there is a conflict between the development standards of the applicable zoning districts and the modified development standards contained in Schedule H, the modified standards shall control. In the event of ambiguity as to whether a particular development standard(s) is applicable, the Project Coordination Manager shall determine such applicability. Such determination by the Project Coordination Manager may be appealed to the Planning and Development General Manager.

- 3.08 Special Study Areas.

A. Golf Course, Planning Unit VI. As the result of this rezoning approval, the City has confirmed that a golf course is an appropriate land use in the Golf Course Study Area identified on the zoning map in Planning Unit VI. It is the intention of the Master Developer and City to locate the golf course uses within the Open Space (OS) district. However, the location of the OS boundaries of the future golf course in relation to surrounding residential district boundaries cannot be precisely determined at this time, and the boundaries of the Golf Course Study Area are intended to approximate the future OS boundaries, such boundaries shown on the zoning map are conceptual, and the actual boundaries of the golf course (and OS) may vary. The Golf Course Study Area designation is intended to permit later identification of OS district boundaries following additional planning. Accordingly, prior to adoption of zoning, preliminary plat approval, or application for Development Review Board approval of any of the Development Sites within the Golf Course Study Area shown on the zoning map, the Owner shall secure use permit approval for the golf course ~~and site plan approval for the potential resort Development Sites~~ as required by Scottsdale Zoning Ordinance, Article V, Sections 6.903.A and 5.902.B respectively and shall include the following:

1. The Owner's submittal for any golf course use permit shall address and include, but not be limited to, the following:
  - a. Provide an approved Master Water Plan for facilities required to distribute water for golf course irrigation, including pipes, pump stations and reservoirs as specified in Schedule F.6.a.

## STIPULATIONS FOR CASE 54-ZN-89#4 54-ZN-89#5

## 1.0 REZONING PROCESS: OVERVIEW

1.01 Nature of Conditional Zoning. The legislative action contemplated in response to the Master Owner's application is a rezoning – the amendment of zoning district boundaries shown on the City's official zoning maps. In this rezoning case, the City Council's action is conditioned upon subsequent satisfaction of these Stipulations. The rezoning request is approved, but one or more ordinances amending the boundaries and district classifications shown on the relevant City zoning maps will be adopted when the various conditions described in these Stipulations have been met. As described in Section 1.04, ordinance adoption may occur on a phased basis, as the relevant Stipulations are satisfied for a portion of the Property.

1.02 Interim Designation of Rezoning Approval. In order to better inform the public of the conditional rezoning, the City's zoning maps will be modified to show the approved zoning classifications and boundaries with a corresponding note that the classifications are conditional and will be finally adopted when the applicable portions of these Stipulations have been satisfied.

1.03 Sequence of Stipulation Performance. Many of the Stipulations imposed by the City in this case concern the planning required for the design and construction of the infrastructure necessary to serve the Property as it is developed. The sequence and content of this required planning is more fully described in Section 2.0 below, but the general hierarchy of planning is as follows:

- A. Community Studies. Certain conceptual studies of key infrastructure requirements for the entire Property – such as streets, drainage, water and wastewater – must be completed before planning for the development of specific Planning Units and Development Sites may proceed. These studies will be performed by the Owner.
- B. Planning Unit Master Plans. Master plans for individual Planning Units must be completed by the Owner prior to the City approval of subdivision plats, site plans requiring Development Review Board approval, and building permits within the Planning Unit.
- C. Development Site Planning. More detailed planning for the actual development of Development Sites, as required by the City's zoning and development regulations, must be completed prior to the City approval of subdivision plats, site plans requiring Development Review Board approval and building permits for the Development Site.
- D. Timing of Dedication and Infrastructure Improvements. Generally, the dedication of public rights-of-way, and the construction of public improvements will occur contemporaneously with the development such improvements are intended to serve. However, the alignment and right-of-way for certain major arterials, watercourses, trunk sewer and water lines, park sites and municipal use sites must be identified, and in some cases dedicated and improved, earlier in the development sequence. Such improvements are identified in these Stipulations.

- E. The City shall provide notice to the Master Developer prior to filing municipal use permit or Development Review Board applications relating to municipal sites and park sites, it being the intent of this Stipulation to provide an opportunity for coordination and integration of design and aesthetic issues relating to such sites between the City and Master Developer.

1.04 Ordinance Adoption. When the Stipulations applicable to a specific Development site(s), or to some or all of a development site(s) within a Planning Unit, have been met, and prior to the issuance of building permits, the City Council shall adopt an ordinance amending the zoning district boundaries and classifications shown on the City's zoning map for such Development site(s) consistent with its conditional rezoning approval.

1.05 Relationship of Rezoning, Settlement of Litigation. The rezoning approval to which these Stipulations apply is one of a series of actions by the City resulting from the settlement of litigation described as Joyce M. Corrigan, et al. vs. City of Scottsdale, Maricopa County Superior Court No. C-359908. The settlement is based on the parties' assumptions about the future development potential of the Property and the effect of the City's Land use regulations on that development potential. It is the intent of this rezoning approval to achieve the densities and uses reflected on the Development Land Use Plan, Zoning Map and Land Use Budget. These assumptions are described more fully in that certain Development Agreement between the parties, approved by the City on March 6, 1990 and recorded in the Office of the Maricopa County Recorder, as is superseded by the first amendment to development agreement between the parties, approved by the city on July 11, 1995 and recorded in the office of the Maricopa County Recorder, AND BY THE SECOND AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN THE PARTIES, APPROVED BY THE CITY ON OCTOBER 19, 1998 AND RECORDED IN THE OFFICE OF THE MARICOPA COUNTY RECORDER.





Schedule D - Land Use Budget  
(Revised 1/7/03-1/16/04 6/1/04)

Land Use Budget Summary														
Planning Unit	Total Acres	NAOS (6) (9)		Open Space			Residential Uses (du)			Resort Rooms Resorts	Commercial Uses * (000 sf)(8)			
		Minimum NAOS Required	Supplemental NAOS Allocation	COS	CA (4) (6)	Other (2,4)	1990 Plan Allocation (1)	1995 Plan Max. Density Cap (7)	Preliminary Density Allocation * (7) (5)	Rooms * Note (2)	PNC	C-O	PCC (5)	I-I
1	328.25	10	15			17	1,510	N/A	1,200		147	113		
2	368.33	15	32			15	2,159	N/A	650 1,200		175	138		
3	375.38	15	33			42	2,507	N/A	1,350		150	105		
4	868.78	75	93	34	20	217	2,123	N/A	550 1,200	Note (3) 400	<div>929 600 1,169 550 497</div>			
5	699.70	275	84	141	118	125	1,084	N/A	968	Note(3) (200 opt.)				
6	1,037.92	300	112	228	130	163	794	N/A	800	Note (3) 200				
Total Acres	3,678.00	690	369	403	268	579								
Total Units							6,718	6,718	5,518 6,718					
Total Rooms										200 800				
Total S.F.											375	218/243		
											207	1,167 600 1,160	551 1,052	
											147	550/497		

N.B.: All Areas Are Approximate

\*Revisions may be approved by project Coordination Manager subject to maximums per stipulations.

(1) Numbers are approx. due to planning unit boundary shifts.

(2) Excludes natural areas in SFR lots outside of bldg envelopes.

(3) The total number of resort rooms exceeding 600 up to a maximum total of 1000 rooms, will reduce the residential yield of 6718 may be allowed in Planning Units 4, 5, or 6 by reducing the total number of residential units allowed by a ratio of 7 residential units for every 10 rooms up to a maximum of 200 rooms.

(4) Area of Future Golf Course (162.83 ac) in P/U 6 is listed as open space but zoned R1-10.

(5) 300 du for the Town Center Mixed Use Area are shown in Residential Uses.

(6) (4) CA is included within adjacent zoning district but itemized here for reference only.

(7) (5) The total number of Residential Units (not including resort rooms) shall not exceed 6,718 5,518.

(8) Retail uses in the PNC and PCC districts will not exceed 900,000 square feet.

(9) (6) Reallocation of minimum NAOS Requirement and Supplemental NAOS Allocation is subject to Schedule G procedures.

**APPROVED**

6/9/2004  
DATE

  
INITIALS

54-ZN-1989#10

9-14-06

Land Use Budget Summary														
Planning Unit	Total Acres	NAOS (6) (9)		Open Space			Residential Uses (du)			Resort Rooms Resorts	Commercial Uses * (000 sf)(8)			
		Minimum NAOS Required	Supplemental NAOS Allocation	COS	CA (4) (6)	Other (2,4)	1990 Plan Allocation (1)	1995 Plan Max. Density Cap (7)	Preliminary Density Allocation * (7) (5)	Rooms * Note (3)	PNC	C-O	PCC (5)	I-1
1	328.25	10	15			17	1,510	N/A	1,200	200	447	443		
2	368.33	15	32			15	2,159	N/A	650 1,200		175	138		
3	375.38	15	33			42	2,507	N/A	1,350		150	105		
4	868.78	75	93	34	20	217	2,123	N/A	550 1,200	Note (3) 400	200		<div>929 600 1,169 550 497</div>	
5	699.70	275	84	141	118	125	1,084	N/A	968	Note (3) (200 opt.)				
6	1,037.92	300	112	228	130	163	794	N/A	800	Note (3) 200				
Total Acres	3,678.00	690	369	403	268	579								
Total Units							6,718	6,718	5,518 6,718					
Total Rooms										200 800				
Total S.F.											375 239 347	218/243 1,167 600 1,169 550/497	561 1,059	

N.B.: All Areas Are Approximate

\*Revisions may be approved by project Coordination Manager subject to maximums per stipulations.

(1) Numbers are approx. due to planning unit boundary shifts.

(2) Excludes natural areas in SFR lots outside of bldg envelopes.

(3) ~~The total number of Resort rooms exceeding 600 up to a maximum total of 1000 rooms, will reduce the residential yield of 6718 may be allowed in Planning Units 4, 5, or 6 by reducing the total number of residential units allowed by a ratio of 7 residential units for every 10 rooms up to a maximum of 200 rooms.~~

(4) ~~Area of Future Golf Course (162.83 ac) in PAU 6 is listed as open space but zoned R1-10.~~

(5) ~~300 du for the Town Center Mixed Use Area are shown in Residential Uses.~~

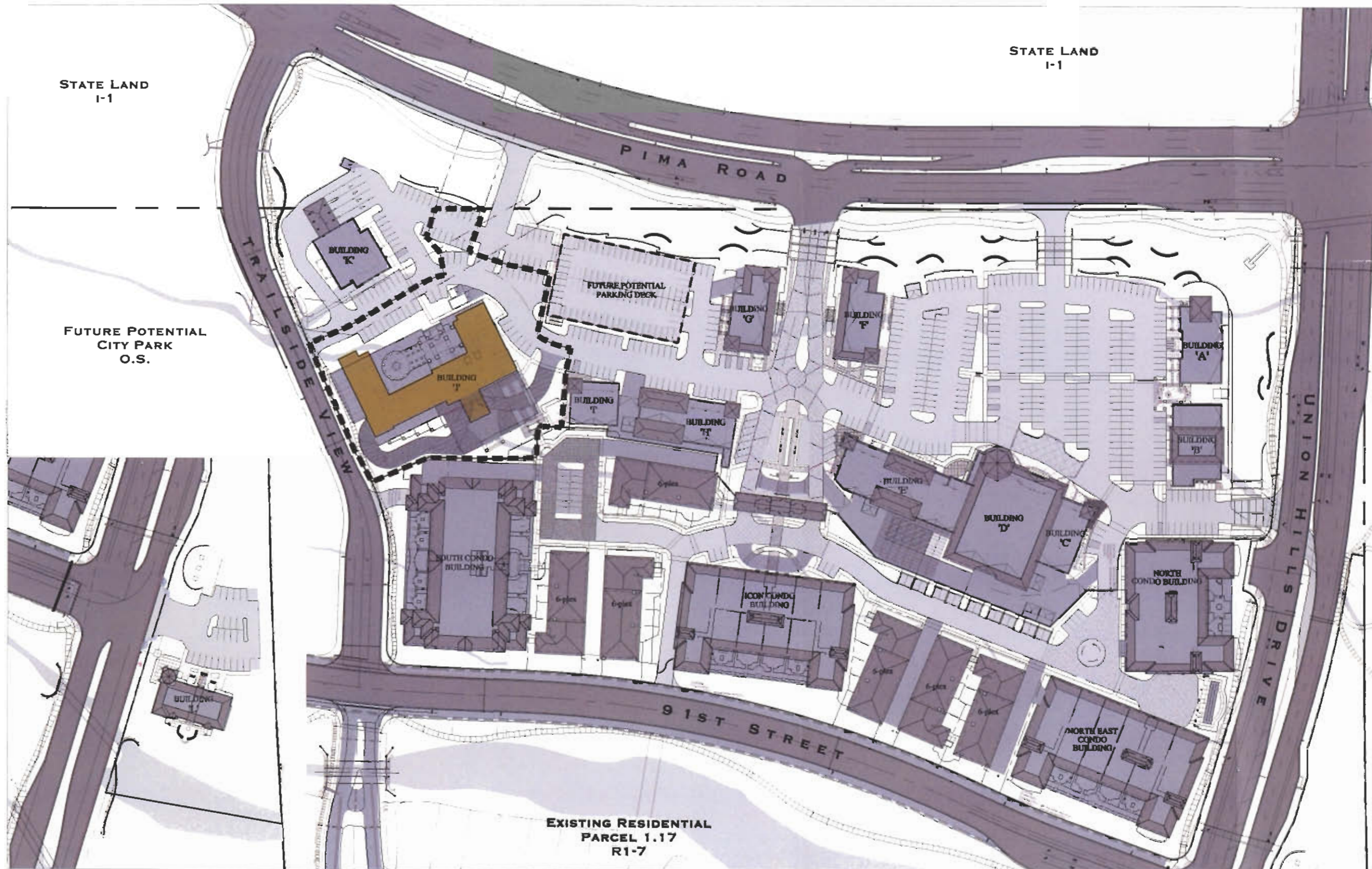
(6) (4) CA is included within adjacent zoning district but itemized here for reference only.

(7) (5) ~~The total number of Residential Units (not including resort rooms) shall not exceed 6,718 5,518.~~

(8) ~~Retail uses in the PNC and PCC districts will not exceed 900,000 square feet.~~

(9) (6) Reallocation of minimum NAOS Requirement and Supplemental NAOS Allocation is subject to Schedule G procedures.





Drawings and Specifications as instruments of service are the property of the architect and may not be reproduced or used for anything without the written permission of Espiritu Locí Incorporated.

DATE 12 SEPTEMBER 2006

